(c) No pendency has been reported as per the information given by the Canara Bank.

(d) Does not arise.

Tax DGP ratio

1630. SHRI BALAVANT alias BAL APTE:
SHRI KRIPAL PARMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the tax GDP ratio is very low in our country as compared to other developing countries;

(b) if so, the details thereof;

(c) whether Government propose to take measures to increase this ratio; and

(d) if so, the measures proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The tax-GDP ratios of the Central Government of select developing countries, including India as given in the World Bank document World Development Indicators' are as under:

Tax revenue as per cent of GDP

.	2001	2002	2003
Argentina	12.5	12.5	9.4
Bangladesh	7.0	—	8.1
China	6.8	—	8.3
Colombia	10.8	—	13.9
India	10.0	9.9	9.1
Indonesia	13.2	13.6	13.0
Mexico	13.2	13.2	—
Pakistan	12.4	12.9	10.9
Sri Lanka	14.6	14.5	14.0
Thailand	14.5	14.4	15.4

Source: World Bank—World Development Indicators, various issues.

(c) and (d) The National Common Minimum Programme mandates the Central Government to increase the tax-GDP ratio, by undertaking major tax reforms that expand the base of tax payers, increase tax compliance and make tax administration more efficient. In pursuance of this mandate, Central Government has initiated a series of measures which, *inter alia,* include widening the tax base through phased removal of exemptions, increased coverage under service tax, special drive to realise tax arrears through setting up of Task Forces, emphasis on voluntary tax compliance, expansion of Tax Information Network, digitization of the tax administration, reducing customs duty rates to the levels of East Asian countries to make Indian manufacturers more competitive, rationalising excise duty structure so as to move towards a single CENVAT rate, moving towards integrating the tax on goods and services and providing relief to income tax payers in the form of higher exemption limits, scaling up tax brackets and providing flexibility in choice of savings instruments.

Policies regarding revenue generation

1631. SHRIMATI BIMBA RAIKAR: Will the Minister of FINANCE be pleased to state:

(a) whether the increase in tax collections during 2003-04 is attributed mainly to pre-assessment collections and does not reflect the assessment/investigation/recovery skills of the IT workforce;

(b) whether the Central Board of Direct Taxes (CBDT) is constantly fulfilling the conditions laid down in its MoU with Government in regard to increased revenue generations; and

(c) whether in many Commissioneates more than 4000 posts of inspectors and below categories remained unfilled for long and sanctioned strength curtailed in tax recovery units?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No, Sir. The increase in direct tax collections during 2003-04 is attributable to both pre-assessment and post-assessment collections. In fact, in 2003-04, the growth in post- assessment collections over 2002-03 was 48.23% compared to the